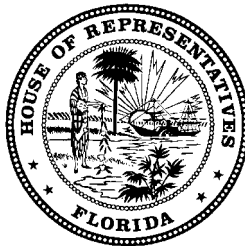


# **HOUSE OF REPRESENTATIVES**

## **HEALTH & FAMILY SERVICES COUNCIL**

**Representative Durell Peaden, Jr., M.D., J.D., Council Chair**

### **2000 SUMMARY OF PASSED LEGISLATION**



#### **CHILDREN & FAMILIES COMMITTEE**

*Representative Sandra L. Murman, Chair*

*Representative Ken Sorensen, Vice Chair*

#### **ELDER AFFAIRS & LONG TERM CARE COMMITTEE**

*Representative Nancy Argenziano, Chair*

*Representative Heather Fiorentino, Vice Chair*

#### **HEALTH CARE LICENSING & REGULATION COMMITTEE**

*Representative Mike Fasano, Chair*

*Representative Everett A. Kelly, Vice Chair*

#### **HEALTH CARE SERVICES COMMITTEE**

*Representative Durell Peaden, Jr., M.D., J.D., Chair*

*Representative Harry C. Goode, Vice Chair*

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## **Children & Families Committee**

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### **CS/CS/SB 340 -- Statewide and Local Advocacy Councils By Governmental Oversight and Productivity; Children and Families; Forman**

**Linked Bill(s):** None

**Related Bill(s):** CS/CS/HB 383

**Committee(s) of Reference:** Children and Families; Governmental Oversight and Productivity; Fiscal Policy

Committee Substitute for Committee Substitute for Senate Bill 340 clarifies the duties of the Statewide and District Human Rights Advocacy Committees and renames them as Florida statewide and local advocacy councils. The bill requires the councils to monitor and investigate allegations of human rights abuses or constitutional rights violations by state agencies that serve clients through certain chapters of the Florida Statutes. The bill creates s. 402.164, F.S., providing legislative intent for the advocacy councils to monitor, inspect, or investigate conditions or determine the presence of individuals that constitute a threat to the welfare of persons who receive client services. The creation of this section also provides legislative intent for the protection of the rights of persons who are provided services under ch. 39, ch. 393, ch. 394, ch. 397, part III, part V, part VIII or part XI of ch. 400, certain sections of ch. 409, ch. 411, ch. 414, ch. 415, or ch. 916, F.S.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

## **HB 679, 1st ENG. -- Foster Care Services**

**By Turnbull**

**Linked Bill(s):** None

**Related Bill(s):** CS/CS/SB 1098

**Committee(s) of Reference:** Children & Families; Family Law & Children; Health & Human Services Appropriations

House Bill 679 authorizes the Department of Children and Family Services to continue to provide foster care services to individuals 18 to 23 years of age who are enrolled full time in a postsecondary educational institution granting a degree, a certificate, or an applied technology diploma, provided specified requirements are met. The foster care services must be terminated when the individual is 23 years of age or has completed, withdrawn, or been expelled from the program or institution.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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## **CS/SB 682, 1st ENG. -- Mental Health Services/Children**

**By Children and Families; Forman**

**Linked Bill(s):** None

**Related Bill(s):** HB 2347

**Committee(s) of Reference:** Children and Families; Fiscal Policy

Committee Substitute for Senate Bill 682 requires that children in the legal custody of the department be placed by the department in a residential treatment center licensed under s. 394.875, F.S., or in a hospital licensed under ch. 395, F.S., only after verification by a qualified evaluator (psychologist or psychiatrist ) that residential mental health treatment is clinically appropriate for treating the child's emotional disturbance and that available, less restrictive treatment modalities have been considered.

The bill requires the residential treatment program to report monthly to the department on the child's progress and monthly status reports must be submitted to the court by the department. The bill requires a court hearing no later than 3 months after the child is placed in residential treatment that includes a clinical review by a qualified

evaluator addressing the need for continued residential treatment. The court reviews the case every 90 days thereafter. The court may order that the child be placed in a less restrictive setting at any time it is determined that residential treatment is not meeting the child's needs. The bill requires that a guardian ad litem be appointed for all children placed in a residential treatment program.

Subject to the Governor's veto powers, the effective date of this bill is October 1, 2000.

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**CS/SB 924, 1st ENG. -- Visually Impaired or Blind Children  
By Children and Families; Webster**

**Linked Bill(s):** None

**Related Bill(s):** CS/HB 803

**Committee(s) of Reference:** Commerce and Economic Opportunities; Children and Families; Fiscal Policy

The bill creates the Blind Babies Program within the Division of Blind Services of the Department of Labor and Employment Security. The program would provide early-intervention education by community-based provider organizations to children, from birth through five years, who are blind or visually impaired, and their parents, families and care givers, so children do not miss critical developmental stages that are normally dependent on vision. The bill provides that the program is not an entitlement, but is available on a means basis, with a co-payment fee for families who have sufficient financial means. The bill appropriates \$1 million to the program and requires a report by the Office of Program Policy Analysis and Government Accountability by January 1, 2002.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

**CS/HB 1129, 3rd ENG. -- Medicaid/Behavioral Healthcare  
By Health & Human Services Appropriations; Children & Families;  
Murman**

**Linked Bill(s):** None

**Related Bill(s):** CS/SB 1046, HB 9, SB 432

**Committee(s) of Reference:** Children & Families; Health & Human Services  
Appropriations

This bill expands Medicaid managed behavioral health care in 13 additional counties. It authorizes the Agency for Health Care Administration to award managed care contracts for behavioral health care, for mental health and substance abuse, in the following 13 counties by December 31, 2001: Charlotte, Collier, DeSoto, Escambia, Glades, Hendry, Lee, Okaloosa, Pasco, Pinellas, Santa Rosa, Sarasota, and Walton. The bill includes a provision that Alachua county may also be included. Currently there are Medicaid managed behavioral health care contracts in five counties: Hillsborough, Highlands, Hardee, Manatee, and Polk.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

**SB 1220, 1st ENG. -- Commission on Homeless  
By McKay**

**Linked Bill(s):** None

**Related Bill(s):** HB 1675

**Committee(s) of Reference:** Comprehensive Planning, Local and Military Affairs;  
Fiscal Policy

The bill creates a 23-member Commission on the Homeless whose purpose is to review the problems of the homeless and propose solutions for reducing homelessness to the Governor, President of the Senate and Speaker of the House by January 1, 2001.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

**SB 1264, 1st ENG. -- Children with Developmental Delays**

**By McKay**

**Linked Bill(s):** None

**Related Bill(s):** HB 2219

**Committee(s) of Reference:** Education; Fiscal Policy

This bill provides for a study on children with developmental delays to examine how Florida can better identify and effectively serve young children with or at high risk of mental disorders or developmental delays and disabilities. The Florida Partnership for School Readiness will conduct the study, with a 16-member commission with representatives of agencies, professions and families, consultants and advisory workgroups. The partnership must report to the Legislature concerning research findings, screening and evaluation tools, community risk factors, the cost of providing services, a plan and proposed legislative action by January 1, 2001. The bill appropriates \$250,000 to fund the study. The act expires on June 30, 2001.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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## **HB 1701, 1st ENG. -- Broward County/Children's Services Act**

**By Wasserman-Schultz**

**Linked Bill(s):** None

**Related Bill(s):** SB 2742

**Committee(s) of Reference:** Children & Families; Community Affairs; Finance & Taxation; Health & Human Services Appropriations

The bill establishes the Children's Services Act of Broward County to create an independent special district to provide children's services throughout Broward County, effective January 2, 2001. It is modeled after provisions for children's services councils in s. 125.901, F.S. The district would have a governing board to be known as the Children's Services Council of Broward County. The board would consist of ten members including the superintendent of schools, a school board member, a county commissioner, the district administrator for the Department of Children and Family Services, and a Juvenile Court judge and five members appointed by the Governor. The bill authorizes a levy of ad valorem taxes not to exceed .50 mill (\$.50 for each \$1,000 of all properties within the county that are



subject to county taxes). The bill requires the special district, council and millage be approved in a special referendum election, and provides the wording of the ballot question.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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**SB 1760, 1st ENG. -- Florida Statutes**

**By McKay**

**Linked Bill(s):** None

**Related Bill(s):** CS/HB 4039

**Committee(s) of Reference:** Children and Families; Education

Repeals various provisions of law relating to the Department of Children and Family Services that have become obsolete or have been repealed or superseded.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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**HB 2125, 2nd ENG. -- Reorganization of the Department of  
Children and Family Services**

**By Children & Families; Murman**

**Linked Bill(s):** None

**Related Bill(s):** SB 2566, CS/SB 2282, HB 2305, SB 2500, HB 2065,  
CS/CS/SB 1144

**Committee(s) of Reference:** Governmental Operations; Health & Human Services  
Appropriations

The bill reorganizes the Department of Children and Family Services (DCF) to support and continue the move to privatize the administration of services in the department. It establishes eight program offices: adult services, child care services, developmental services, economic self-sufficiency services, family safety, mental health, refugee services, and substance abuse. This bill eliminates the current health

and human services boards. The bill creates a community alliance in each county with a core membership and delineates the responsibilities of the alliance. The bill establishes a prototype region to test the lead agencies in Pasco, Pinellas, Manatee, Sarasota, DeSoto, and Hillsborough counties. The department will contract with a lead agency to administer, provide (under certain conditions), and/or subcontract with other agencies for all or any part of the children's services currently administered by DCF. The bill also reorganizes ch. 39, F.S., to reflect the sequential order in which the child protection process would usually proceed and creates two new parts: Dispositions, Postdisposition, Change of Custody; and Permanency. It requires the Criminal Justice Estimating Conference to project future bed needs and other program needs resulting from the civil commitments authorized under the Jimmy Ryce Act of 1998 and makes other changes to the Jimmy Ryce Act. The bill designates the second Monday in September of each year as "Florida Missing Children's day". The bill directs the Office of the State Court Administrator to establish a 3-year pilot Attorney Ad Litem Program in the Ninth Judicial Circuit by October 1, 2000, to represent the rights of children in dependency proceedings.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

## **SB 2510, 1st ENG. -- Rulemaking Authority/Department of Children and Family Services**

**By Diaz-Balart**

**Linked Bill(s):** None

**Related Bill(s):** HB 2245, HB 1633, HB 2329, CS/HB 2339, SB 1336, CS/CS/SB 2242

**Committee(s) of Reference:** Children and Families; Rules and Calendar

This bill provides statutory authority for the Department of Children and Family Services to adopt pertinent rules relating to the refugee cash and medical assistance program, Medicaid eligibility determination, and the Work and Gain Economic Self-Sufficiency (WAGES) program.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming a law.

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## **Elder Affairs & Long Term Care Committee**

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### **CS/SB 358 -- Long-Term Care By Children and Families**

**Linked Bill(s):** None

**Related Bill(s):** CS/SB 682, 1st ENG., CS/HB 1539, 1st ENG.,  
CS/SB 1844, SB 1856, HB 2093, HB 2259, HB 2347

**Committee(s) of Reference:** Children and Families; Fiscal Policy

The bill directs the Department of Children and Family Services to develop a sliding fee scale for publicly funded mental health and substance abuse services. It revises planning requirements. The department is directed to ensure that persons discharged from state mental health hospitals will have access to the most up-to-date medications that stabilized their condition in the hospital. The bill directs the department to revise its target groups under performance based program budgeting to include older adults. It revises provisions related to Children's Mental Health, part III of chapter 394, F.S. The bill revises the procedures used to conduct pre-employment screening of persons who would work as paid caregivers for vulnerable elderly or disabled persons. It renames the adult abuse registry and tracking system as the central abuse hotline. It removes requirements for classification and employment screening of reports made to the Hotline and redirects the activities of adult protective services workers away from alleged perpetrator due process activities and toward a more concentrated focus on protection of victims. It requires districts of the Department of Children and Family Services to enter into working agreements with jurisdictional law enforcement agencies for investigation and disposition of reports. It revises a number of provisions related to the Long Term Care Ombudsman Program. Included are changes to the appointment process and terms of members of the state and local ombudsman councils; a requirement for a cooperative agreement relating to investigations of Medicaid fraud; and provisions establishing certain responsibilities for the Department of Elder Affairs.

Subject to the Governor's veto powers, the effective date of this bill is September 1, 2000, except as otherwise provided.

**SB 1280, 1st ENG. -- Nursing Homes & Related Health Care Facilities**

**By Cowin**

**Linked Bill(s):** None

**Related Bill(s):** CS/HB 367, HB 2431

**Committee(s) of Reference:** Children and Families

This bill corrects technical deficiencies in long term care legislation passed during the 1999 session. The requirements for repackaging medications for eligible nursing home residents who have pharmacy benefits in an insurance plan are clarified. It directs the Department of Health to study the use of automated medication dispensing machines in nursing facilities. The bill clarifies language related to the transfer and discharge of residents from nursing homes that proved difficult and confusing to implement. It revises the types of data that must be published in the Consumer Information materials prepared by the Agency for Health Care Administration (AHCA, or agency). It clarifies provisions related to the consumer satisfaction surveys the agency is required to obtain. The bill revises the criteria used to nominate nursing homes for the Gold Seal award and revises terms of persons appointed to serve on the Panel for Excellence in Long Term Care. Provides the agency with specific rulemaking authority.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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**SB 1762 -- Florida Statutes**

**By McKay**

**Linked Bill(s):** None

**Related Bill(s):** HB 4041, 1st ENG.

**Committee(s) of Reference:** Children and Families

This bill deletes obsolete sections of Florida Statutes related to Developmental Services; the requirement for a report already completed by the Department of Children and Family Services(DCFS); repeals the advisory board for assisted living facilities; the requirement that DCFS create and maintain a statewide registry of community residential homes; and the long term care interagency advisory council in

the Department of Elder Affairs. The Medicaid workgroup on access to nursing home beds and the Panel for the Study of Skilled Nursing Care are repealed from chapter law.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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### **CS/CS/SB 1890 -- End-of-Life Care**

**By Judiciary; Health, Aging and Long-Term Care; Klein**

**Linked Bill(s):** None

**Related Bill(s):** HB 2429

**Committee(s) of Reference:** Health, Aging and Long-Term Care; Judiciary; Fiscal Policy

The bill revises the continuing education requirements for license renewal for certain health care professionals to provide that courses in end-of-life care and palliative care may be substituted for approved courses on domestic violence, if the professional has taken a course on domestic violence within the previous 2-year period. Certain health care facilities, health care providers, and health care practitioners are required to comply with a patient's request for pain management or palliative care, when appropriate.

Requirements for designating a health care surrogate are revised. The bill revises the sample form for designation of a health care surrogate and the sample living will form. The bill clarifies the requirements for determining a patient's condition for purposes of withholding life-prolonging procedures. Requirements pertaining to when a proxy may authorize the withholding or withdrawing of life-prolonging procedures are modified. The 18-member End-of-Life Care Workgroup is created.

Subject to the Governor's veto powers, the effective date of this bill is September 1, 2000, except as otherwise provided.

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### **HB 1993, 3rd ENG. -- Task Force on Long Term Care**

**By Russell and Others**

**Linked Bill(s):** None

**Related Bill(s):** CS/SB 1222, 1st ENG.

**Committee(s) of Reference:** Elder Affairs & Long Term Care; Health & Human Services Appropriations

The bill creates a Task Force on Availability & Affordability of Long-term Care. It delineates membership and duties, provides for staff and expenses, and requires a report be done. The task force is comprised of 13 members, including the Lieutenant Governor, who is the chair; the secretary of the Department of Elder Affairs; the state Medicaid director; the Chief of Health Facility compliance at the Agency for Health Care Administration; the State Long-Term Care Ombudsman; a member of the Florida Bar; one representative each from the Florida Assisted Living Association, the Florida Health Care Association, and the Florida Association of Homes for the Aging; a representative of the insurance industry who has experience in insurance markets affecting long-term care; a member representing public housing authorities; a member representing the American Association of Retired Persons; and an investment banker who has experience in long-term-care economics.

The task force is charged to study long-term care issues in terms of the availability of alternative housing and care settings and community based care arrangements, the adequacy of reimbursement in both nursing home and alternative care arrangements, the availability of long-term care insurance, the role of the certificate-of-need process in the development of long-term care systems, issues related to the economic stability and quality of long-term care facilities as influenced by market forces and lawsuits against nursing homes, and the cost and availability of liability insurance for long-term care providers.

The task force is located at the University of South Florida for administrative purposes. The Florida Policy Exchange Center on Aging is to provide staff and support services to the task force. The task force expires March 1, 2001. An appropriation of \$200,000 is provided.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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## Health Care Licensing & Regulation Committee

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### **CS/CS/HB 591, 2nd ENG. -- Certificates of Need/AHCA**

#### **By Governmental Rules & Regulation; Health Care Licensing & Regulation; Minton, Fasano and Others**

**Linked Bill(s):** None

**Related Bill(s):** HB 531, CS/CS/HB 567, HB 687, HB 959, HB 1447, HB 1571, HB 1623, HB 1625, HB 1659, HB 2037, HB 2213, HB 2337, CS/HB 2339, HB 2351, CS/SB 420, CS/SB 994, CS/SB 1028, CS/SB 1300, SB 1908, CS/CS/SB 1932, CS/SB 2086, CS/SB 2132, CS/CS/CS/SB 2154, CS/SB 2266, CS/SB 2456

**Committee(s) of Reference:** Health Care Licensing & Regulation; Governmental Rules & Regulations; Health & Human Services Appropriations

CS/CS/HB 591:

- Requires field offices of the Agency for Health Care Administration to establish local coordinating workgroups to identify operation of unlicensed assisted living facilities;
- Streamlines the Certificate of Need process and exempts additional projects;
- Appropriates \$230,000 to complete the 1999 kidney dialysis study;
- Allows the Department of Health to accept electronic applications beginning in 2001;
- Eliminates redundant physician background screening requirements;
- Eliminates a catch-22 for applicants without social security numbers;
- Protects Floridians from persons posing as physicians, dentists, and other health care professionals;
- Sets minimum criminal penalties for felonies of unlicensed practice of a health care profession;

- Eliminates state review of frivolous complaints not resulting in lawsuit;
- Instills zero tolerance for practitioner sexual misconduct and drug use;
- Transfers regulation of nursing assistants to the Board of Nursing;
- Requires Advanced Registered Nurse Practitioners to be profiled and credentialed beginning July 1, 2000;
- Streamlines home health care regulation;
- Clarifies that legal sale and use of dietary supplements may continue;
- Allows Moffitt Cancer Center to provide training to foreign physicians under the International Cancer Center Visiting Physician Program;
- Allows FSU Medical School and Mayo Medical School at the Mayo Clinic to receive medical faculty temporary certificates just like all other medical schools in Florida;
- Waives fees for volunteer physicians working in areas of critical need;
- Requires registration of remaining residents training in teaching hospitals;
- Requires direct supervision when using lasers or light-based hair removals by non-physicians;
- Clarifies duties of the Council on Physician Assistants regarding licensure;
- Corrects terminology and reduces fees relating to acupuncture;
- Clarifies clinical laboratory director qualifications for licensure;
- Designates February 6th of each year as Florida Alzheimer's Disease Day;
- Prohibits health maintenance organizations from delaying medically necessary ophthalmology exam;
- Appropriates \$200,000 for study of proposed mandated health benefits;



- Beginning July 1, 2000, revises the Employee Health Care Access Act;
- Clarifies applicability of the Florida Insurance Code to health maintenance organizations;
- Provides protections relating to health maintenance organization insolvency;
- Expands the authorized use of the indigent care surtax to include trauma centers, and requires disbursement of funds in counties with a population of at least 800,000 which have levied the surtax;
- Requires the Agency for Health Care Administration to conduct a study regarding implementation of the federal "Ticket to Work and Work Incentives Act of 1999" in Florida;
- Provides for retention of sponsored-research overhead at the University of Florida; and
- Authorizes the Agency for Health Care Administration to contract with specialty prepaid health plans to provide Medicaid benefits to recipients who have HIV/AIDS.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000, except as otherwise provided.

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## **HB 729 (Ch. 2000-115, Laws of Florida) -- Board of Dentistry/Qualifications**

**By Bense**

**Linked Bill(s):** None

**Related Bill(s):** SB 1014

**Committee(s) of Reference:** Health Care Licensing & Regulation

This bill removes the requirement that licensed dentists appointed to the Board of Dentistry derive their principal income from direct patient care. The bill also removes the provision that prohibits a licensed dentist, who earns more than 5% of her or his income from a dental college or community college, from being appointed to the Board of Dentistry. It requires any member of the board affiliated with a dental

college or community college to be in compliance with s. 455.531, F.S., which prohibits a board member from earning her or his principal source of income from any medical, dental, or community college.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

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## **HB 1615, 1st ENG. -- Lee County Health Care System**

**By C. Green**

**Linked Bill(s):** None

**Related Bill(s):** SB 2786

**Committee(s) of Reference:** Health Care Licensing & Regulation; Community Affairs; Finance & Taxation

The bill codifies all prior special acts relating to the Lee County public health system into a single act and repeals all prior special acts relating to the system. It removes obsolete language and is primarily a restatement of existing chapter law. The bill changes the name of the system, permits the board to institute eminent domain proceedings, provides for filling vacancies in the Office of Director, increases the amount of compensation that directors may receive annually from \$5,000 to \$10,000 and allows for an annual increase in compensation. The bill also allows the board to adopt a policy that permits board members to participate in the system's insurance program for health system employees, revises provisions relating to the issuance of general obligation bonds by the health system, and adds physician and other health care services to the list of services for which the system is entitled to impose a lien.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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## **HB 1853 -- Palm Beach County Health Care Act**

**By Jacobs**

**Linked Bill(s):** None

**Related Bill(s):** None

**Committee(s) of Reference:** Health Care Licensing & Regulation; Community Affairs

HB 1853 changes the name of the Palm Beach County Health Care District to the Health Care District of Palm Beach County and updates terminology referencing the Palm Beach County Public Health Department. It authorizes the health care district to plan, coordinate, supervise, manage, and take such other action as appropriate to implement the school health programs as established by the health care district. Also, the bill establishes the Glades Rural Area Support Board and provides it with duties, powers, organization, and public access requirements. Furthermore, this bill provides permissive authority and flexibility to the health district with regard to the ownership, operation, and management of an acute-care hospital in the Glades area.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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## **CS/HB 1991 -- Trauma Services**

### **By Governmental Rules & Regulations; Casey and Others**

**Linked Bill(s):** None

**Related Bill(s):** SB 2624

**Committee(s) of Reference:** Health Care Licensing & Regulation; Governmental Rules & Regulations; Health & Human Services Appropriations

The bill revises definitions relating to the provision of trauma services, and revises the minimum components for local and regional trauma services system plans and the state trauma system plan. It provides for an inclusive statewide trauma system, revises the requirements for trauma transport protocols, and provides for certain uniform protocols. The bill revises the requirements relating to the trauma scoring system and the rules related to this system.

The bill also creates the Emergency Services Task Force. The task force will be appointed and convene by July 1, 2000, and will submit its recommendations in a report to the Speaker of the House of Representatives and the President of the Senate by January 1, 2001. The task force is charged with studying: the availability of specialty physician coverage for hospital emergency care; hospitals closing the emergency departments or diverting emergency medical service providers to other hospitals; and the impact of uncompensated care on the provision of emergency services and care.

Subject to the Governor's veto powers, the effective date of this bill is October 1, 2000, except as otherwise provided.

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## **CS/HB 2339 -- Patient Protection Act of 2000**

**By General Appropriations; Feeney; Waters; Peadar; Fasano and Others**

**Linked Bill(s):** None

**Related Bill(s):** CS/HB 149, CS/CS/HB 591, HB 687, HB 913, HB 931, HB 1125, CS/HB 1571, HB 1625, HB 1633, HB 1905, HB 2169, HB 2245, HB 2329, HB 2351, CS/CS/SB 162, CS/SB 420, CS/SB 866, CS/CS/SB 954, CS/SB 1300, SB 1336, CS/SB 2034, CS/SB 2086, CS/CS/CS/SB 2154, SB 2234, CS/CS/SB 2242, CS/SB 2344, SB 2354, CS/SB 2456, CS/SB 2494, SB 2510, and SB 2612

**Committee(s) of Reference:** Health Care Licensing & Regulation; Health & Human Services Appropriations; General Appropriations

The Patient Protection Act of 2000:

- Streamlines certificate of need review processes for introduction of new health care services and exempts certain projects from review;
- Reduces the 1.5% assessment on outpatient services to 1% and increases the cap on Medicaid payments for adult hospital outpatient services from \$1,000 to \$1,500;
- Prevents health maintenance organization contracts from prohibiting physicians from providing inpatient services to their patients in a contracted hospital;
- Requires adverse determinations to be made by an allopathic or osteopathic physician and requires notice to patient and provider of reason for denial of care;
- Creates a grant program to address disparities in racial and ethnic health outcomes;

- Creates the Florida Commission on Excellence in Health Care to facilitate development of a comprehensive statewide strategy for improving health care delivery systems;
- Addresses issues relating to insurance coverage available to small employers, repeals existing provisions relating to community health purchasing alliances, and authorizes carriers to issue group policies to small employer health alliances;
- Solidifies existing patient protection provisions into one section to increase public awareness of protections available in other sections of the law;
- Requires providers, under contract with a health maintenance organization, to post and prominently display notice of addresses and toll-free telephone numbers of the Agency for Health Care Administration, the Department of Insurance, and the Statewide Provider and Subscriber Assistance Program;
- Requires providers to provide the address and telephone number of the organization's grievance department upon request;
- Revises methodology for small employer health benefit plans;
- Revises Medicaid eligibility determinations, addresses Medicaid fraud issues, provides rulemaking authority; and
- Requires assessment of impact of current mandated health coverages.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000 except as otherwise provided.

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**CS/SB 2628, 1st ENG. -- Health Department Rule Authorizing Bill  
By Health, Aging and Long-Term Care; Myers**

**Linked Bill(s):** None

**Related Bill(s):** HB 2315

**Committee(s) of Reference:** Health, Aging and Long-Term Care; Rules and Calendar

Section 120.536, F.S., establishes that a grant of rulemaking authority is necessary but not sufficient to allow an agency to adopt a rule; a specific law to be implemented is also required. As a result, state agencies are required to review the statutory authority they have for rulemaking and determine if sufficient authority exists for their rules or proposed rules. This bill amends those sections of the Florida Statutes where a portion of the rule may exceed statutory authority as determined by the Department of Health. This rule authorizing bill corrects any deficiencies noted by establishing specific authority in statute.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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**CS/HB 4043, 1st ENG. -- Florida Statutes  
By Health Care Licensing & Regulation; Rules & Calendar; Arnall**

**Linked Bill(s):** None

**Related Bill(s):** SB 1764

**Committee(s) of Reference:** Health Care Licensing & Regulation

This bill repeals or amends statutes and sections of the Laws of Florida that have become obsolete, have had their effect, have served their purpose, or have been impliedly repealed or superseded that relate to the regulation of certain professions with the Department of Health. Other provisions identified by the Agency for Health Care Administration deemed obsolete are included. The bill also repeals several task forces and work groups required to conduct a study and issue a report to the Legislature no later than February 1, 2000.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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## Health Care Services Committee

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### **CS/SB 212, 1st ENG. -- Health Care Assistance/Children**

**By Health, Aging and Long-Term Care; Dawson**

**Linked Bill(s):** None

**Related Bill(s):** HB 1781 and HB 2173

**Committee(s) of Reference:** Health, Aging and Long-Term Care; Fiscal Policy

CS/SB 212 reflects the recommendations from an interim project relating to the Florida Kidcare Program, as modified to reflect funding included in the General Appropriations Act. The bill:

- Requires the Social Services Estimating Conference to develop certain projections for Kidcare;
- Moves children age 0-1 from Medikids to Medicaid;
- Accelerates Kidcare enrollment;
- Authorizes presumptive eligibility for Medicaid-eligible children;
- Adds certain elements to Kidcare reporting requirements, and requires a monthly enrollment report;
- Adds a dental benefit for the Kidcare program, subject to a specific appropriation;
- Directs the Department of Children and Family Services to develop a more simple eligibility redetermination process;
- Clarifies the entities with which Children's Medical Services (CMS) may contract;
- Directs the Division of State Group Insurance of the Department of Management Services and the Florida Healthy Kids Corporation to study the feasibility of subsidizing health insurance coverage for children of certain state employees; and
- Incorporates technical revisions and deletes obsolete language.

The fiscal impact of the addition of dental coverage is \$14.6 million, of which \$4.4 million is a state obligation and \$10.1 million is a federal obligation. The fiscal impact of Medicaid presumptive eligibility is \$327,000, of which \$142,000 is a state obligation and \$185,000 is a federal obligation.

While not part of the bill, it is worth noting that included in the budget is funding sufficient to add 102,000 new slots for Kidcare coverage, for a total of 309,482

children. This represents an increase of \$96 million in the state's obligation to insure children. Proviso language accompanying Specific Appropriation #192A specifies that Healthy Kids local match is capped at \$14,448,850, which will save counties an estimated \$8.6 million. In addition, the Florida Healthy Kids Corporation is directed to review current local match requirements and develop a recommendation for a multi-year proposal related to the reduction of local match, with a report by November 1, 2000.

The bill includes the substance of HB 2173, relating to child care and early intervention programs. The bill provides improved support to children in subsidized child care and working parents in the following ways: extends eligibility for subsidized child care for working families (up to 200 percent of the federal poverty level for families currently in the program) and provides for working parents to be defined as needy for federal Temporary Assistance for Needy Families (TANF) funds. The bill improves integration of child care and early intervention services by requiring children with developmental delays who are in subsidized child care to be referred to existing health and education programs for Level III assessments. The bill improves child care quality by: establishing in statute the already funded Teacher Education and Compensation Helps (T.E.A.C.H.) scholarship program for child care workers and center directors; allowing child enrichment providers to provide out-of-class activities; and requiring the Department of Children and Family Services to develop rules for safe accounting of children transported by child care centers and for a work group to establish summer camp health and safety standards.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

**CS/CS/SB 352, 1st ENG. -- Women and Heart Disease Task Force  
By Fiscal Policy; Health, Aging and Long-Term Care; King;  
Latvala**

**Linked Bill(s):** None

**Related Bill(s):** CS/HB 111

**Committee(s) of Reference:** Health, Aging and Long-Term Care; Fiscal Policy

CS/CS/SB 352 creates the Women and Heart Disease Task Force to be established within the Department of Health. The task force will be composed of the Secretary of Health, the Executive Director of the Agency for Health Care Administration, and the Insurance Commissioner, or their designees, and 28 non-compensated members



representing specified organizational interests, to be appointed by the Governor, the President of the Senate, or the Speaker of the House of Representatives. The task force will exist for 2 years.

Specifically, this task force is required to: collect research and information on heart disease in women; prepare recommendations for reducing the incidence and the number of women's deaths related to heart disease in this state; increase the public's awareness of the importance of identifying symptoms and treatment of heart disease in women; report on approaches to improving coordination among agencies and institutions involved in research on, and treatment of, heart disease in women; (if applicable) prepare recommendations for changes in the Florida Insurance Code as it relates to coverage for women's heart disease screening and treatment options; and report on national trends with regard to women and heart disease, as well as how these trends compare with trends in Florida.

This bill appropriates \$100,000 from the General Revenue Fund to the Department of Health for FY 2000-2001 and \$100,000 from the General Revenue Fund to the Department of Health for FY 2001-2002 to produce or purchase and distribute multi-language patient summary information and implement an appropriate public education program.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

**CS/HB 399, 1st ENG. -- Newborn Hearing Screening  
By Health Care Services; Prieguez; Wasserman-Schultz and  
Others**

**Linked Bill(s):** None

**Related Bill(s):** CS/SB 1428

**Committee(s) of Reference:** Health Care Services; Governmental Rules & Regulations; Health & Human Services Appropriations

CS/HB 399 creates a statewide comprehensive and coordinated interdisciplinary program of early hearing impairment screening, identification, and follow-up care for newborns. The bill: establishes an October 1, 2000, deadline for hospitals to begin screening all newborns upon birth admission and for parental instruction on the importance of hearing screening at non-hospital birthing facilities; specifies an "opt-out" option for those parents who do not wish to have their newborn screened;

provides mechanisms for reimbursement of hospital and nonhospital providers by health maintenance organizations, insurers, and Medicaid; provides that any person who is not covered by insurance and cannot afford the costs of screening must be given a list of newborn hearing screening providers who provide the necessary testing free of charge; requires appropriate referral for those with a hearing impairment; provides that the provisions of this act are to be implemented to the extent that funds are specifically included in the General Appropriations Act.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

## **SB 828 -- Insurance/Medicare Supplement Policy**

**By Grant**

**Linked Bill(s):** None

**Related Bill(s):** HB 765

**Committee(s) of Reference:** Banking and Insurance

SB 828 provides for the exclusion of labor organization Medicare supplement insurance from the definition of "Medicare supplement policy" as part of the "Florida Medicare Supplement Reform Act." The effect of this change is to remove Medicare supplement insurance provided through a labor organization from the regulatory scheme of Florida's Medicare supplement policy insurance laws.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

**CS/CS/SB 940, 2nd ENG. -- Delivery of Health Care Services By Fiscal Policy; Health, Aging and Long-Term Care; Lee and Others**

**Linked Bill(s):** None

**Related Bill(s):** CS/CS/HBs 769 & 1087

**Committee(s) of Reference:** Health, Aging and Long-Term Care; Fiscal Policy

The short title, the "Prescription Affordability Act for Seniors," is specified.

Pharmaceutical Expense Assistance Program: The bill creates a pharmaceutical expense assistance program for low-income individuals who qualify for limited assistance under Medicaid as a result of being dually eligible for both Medicaid and Medicare, but whose limited assistance or Medicare coverage does not include any pharmacy benefit. Specifically eligible are low-income senior citizens who: are Florida residents age 65 and over; have an income between 90 and 120 percent of the federal poverty level [a range from \$7,515 to \$10,020 for individuals and from \$10,125 to \$13,500 for family size of two]; are eligible for both Medicare and Medicaid; are not enrolled in a Medicare health maintenance organization that provides a pharmacy benefit; and request to be enrolled in the program. Medications covered under the program are those covered under the Medicaid program. Monthly benefit payments are limited to \$80 per program participant, with a 10 percent coinsurance payment for each prescription purchased through the program.

The program is to be administered by the Agency for Health Care Administration (AHCA), in consultation with the Department of Elder Affairs. A single page application is to be developed for the program. By rule, AHCA is required to establish eligibility requirements, limits on participation, benefit limitations, a requirement for generic drug substitution, and other program parameters comparable to those of the Medicaid program. By January 1 of each year, AHCA is to report to the Legislature on specified aspects of the operation of the program. The bill states that the program is not an entitlement.

In order for a drug product to be covered under the program, the product's manufacturer must provide a rebate equal to the rebate required by Medicaid and make the drug available to the program for the best price the manufacturer makes the drug available in the Medicaid program. Reimbursements to pharmacies under the program are to be equivalent to reimbursements under the Medicaid program.

Medicare Prescription Discount Program: The bill also requires that, as a condition of participation in the Medicaid program or the pharmaceutical expense assistance program, a pharmacy must agree to charge to any individual who is a Medicare beneficiary and who is a Florida resident presenting a Medicare card, when presenting a prescription, a price no greater than the cost of ingredients equal to the average wholesale price minus 9 percent, and a dispensing fee of \$4.50. In lieu of this requirement, and as a condition of participation in the Medicaid program or the pharmaceutical expense assistance program, a pharmacy must agree to provide a private, voluntary prescription discount program to state residents who are Medicare beneficiaries or accept a private voluntary discount prescription program from state residents who are Medicare beneficiaries. These discounts must be at least as great as discounts provided under the pharmaceutical expense assistance program.

The bill appropriates \$15 million from the General Revenue Fund to AHCA to implement the pharmaceutical expense assistance program effective January 1, 2001. Rebates collected are to be used to help finance the pharmaceutical expense assistance program. Additionally, \$250,000 is appropriated from the General Revenue Fund to AHCA to administer the pharmaceutical expense assistance program.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

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## **HB 1121, 2nd ENG. -- FSU College of Medicine**

**By Peaden and Others**

**Linked Bill(s):** None

**Related Bill(s):** SB 1692

**Committee(s) of Reference:** Health Care Services; Education Appropriations

HB 1121 establishes a four-year allopathic medical school within the Florida State University (FSU), the primary mission of which is training physicians to meet the primary health care needs of the state's elderly, rural, minority, and under-served residents. The bill provides:

- Legislative intent, focused on a new model of medical education to deliver patient-centered health care services, building upon the success of the Florida State University Program in Medical Sciences.

- Purposes of the College of Medicine, relating to physician training in primary care, geriatrics, and rural medicine, use of emerging technologies, research, and access to medical education for under-represented groups.
- Transition process, organizational structure, and admissions process, building on the current FSU Program in Medical Sciences' admissions process.
- For community-based partner organizations for clinical instruction, including several specified regional medical centers and all rural hospitals in the state.
- Curricula and educational approach.
- For technology-rich learning environments, an expansion of FSU's existing technological infrastructure to enhance community-based medical education, and for administration and faculty for community-based training.
- Indemnification from liability for those individuals and entities providing sponsorship or training to students of the medical school.
- For implementation as provided in the General Appropriations Act.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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**CS/SB 1300 -- Employee Health Care Access Act  
By Banking and Insurance; Holzendorf**

**Linked Bill(s):** None

**Related Bill(s):** CS/CS/HB 591, HB 687, CS/HB 2339

**Committee(s) of Reference:** Banking and Insurance

CS/SB 1300 expands the definition of “modified community rating” to include health status, claims experience, and duration of coverage as factors that an insurer may use in setting rates for small employers. Beginning July 1, 2000, expands small employers health benefits on a guaranteed-issue basis to two person groups. Beginning August 1, 2000, specifies an annual 31-day open enrollment period of August 1 - August 31 of each year for offer and issue of basic and standard small employer health benefits, subject to specified criteria and coverage date. The bill allows a small employer carrier and a small employer to agree to a different coverage date; and provides that a person, his or her spouse, and his or her dependent children constitute a single eligible employee subject to specific criteria.

The bill allows for rate adjustments based on claims experience, health status, or duration of coverage; provides that such adjustments must be applied uniformly to rates charged all employees of the business and cannot be charged to individual employees or dependents or result in a rate for the employer that deviates more than 15 percent from the carrier’s approved rate; allows carriers to adjust the renewal premium up to 10 percent annually based on these additional factors. The bill provides that in the event the aggregate of the adjustment exceeds the premium that would have been charged by the application of the approved modified community rate by 5 percent for the current reporting period, the carrier is limited to applying such adjustments to only minus adjustments beginning not more than 60 days after the report to the department, subject to specified criteria. It provides that for any subsequent reporting period, if the total aggregate adjusted premium actually charged does not exceed the premium that would have been charged by the application of the approved modified community rate by 5 percent, the carrier may apply both plus and minus adjustments. The bill allows a small carrier rating methodology to include separate rating categories, subject to specific criteria; prohibits small carriers from using a composite rating methodology to rate a small employer with fewer than 10 employees; and provides a definition for “composite rating methodology” for these purposes.

The bill clarifies that certain additional rating law procedures apply to health insurance companies and health maintenance organizations that offer small employer coverage.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

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**CS/CS/CS/SB 1508 & CS/SB's 706 & 2234 -- Managed Care Organizations**

**By Fiscal Policy; Health, Aging and Long-Term Care; Banking and Insurance; Brown-Waite; Laurent; Saunders and Others**

**Linked Bill(s):** None

**Related Bill(s):** HB 2427

**Committee(s) of Reference:** Banking and Insurance; Health, Aging and Long-Term Care; Fiscal Policy

This bill addresses a variety of issues relating to managed care and prompt payment of provider claims. The bill deletes provisions relating to provider billings, revises provisions relating to provider contracts, provides for disclosure and notice, and requires procedures for requesting and granting authorization for utilization of services. It provides for HMO liability for payment for services rendered to subscribers, and prohibits certain provider billing of subscribers.

The bill defines the term "clean claim" in the institutional and non-institutional setting, and specifies the basis for determining when a claim is to be considered clean or not clean. In addition, the bill requires the Department of Insurance to adopt rules to establish a claim form and requirements for the form; grants the department discretionary rulemaking authority for coding standards; provides for payment, denial, and contesting of clean claims or portions of clean claims, and provides for interest accrual, payment of interest, and an uncontestable obligation to pay a claim.

The bill requires an HMO to make a claim for overpayment. Prohibits an organization from reducing payment for other services and provides exceptions. Requires a provider to pay a claim for overpayment within a specified timeframe. Specifies procedures and timeframes regarding provider overpayments. Provides an uncontestable obligation to pay a claim for overpayment.

The bill also: specifies when an electronically transmitted or mailed provider claim is considered received; mandates acknowledgment of receipts for electronically submitted provider claims; prescribes a timeframe for an HMO to retroactively deny a claim for services provided to an eligible subscriber, and provides for treatment authorization and payment of claims by an HMO and clarifies that treatment authorization and payment of a claim for emergency services is subject to specified provisions of law.

The bill provides that downcoding with intent to deny reimbursement by an HMO is an unfair method of competition and an unfair or deceptive act or practice. It authorizes the Department of Insurance to issue a cease and desist order for a payment-of-claims violation, and revises provisions relating to treatment-authorization capabilities.

The bill establishes a statewide claim dispute resolution program for providers and managed care organizations, and provides rulemaking authority to the Agency for Health Care Administration.

The bill authorizes administrative sanctions against a hospital's license for improper subscriber billing and violations of requirements relating to claims payments. It provides that certain actions by a provider are punishable, and expands provision of law relating to fraud against hospitals to include health care providers.

Provides an appropriation of \$38,928 from the Health Care Trust Fund and one position to the Agency for Health Care Administration for the purposes of carrying out the provisions of this act during fiscal year 2000-2001.

Subject to the Governor's veto powers, the effective date of this bill is October 1, 2000. The bill applies to claims for services rendered after such date and to all requests for claim-dispute resolution which are submitted by a provider or managed care organization 60 days after the effective date of the contract between the resolution organization and the agency.

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## **SB 1766 -- Florida Statutes**

**By McKay**

**Linked Bill(s):** None

**Related Bill(s):** CS/HB 4045, 1st ENG.

**Committee(s) of Reference:** Health, Aging and Long-Term Care; Rules and Calendar

SB 1766 is a statute "clean up" bill which:

- Relates to the Agency for Health Care Administration and the public health functions of the Department of Health.
- Repeals or amends various provisions of law that are obsolete, have had their effect, or have been impliedly repealed or superseded.
- Repeals provisions of statute, Laws of Florida, and the General Appropriations Act which relate to several work groups, task forces, and study panels whose work has been, or will be, completed by July 1, 2000.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.

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## **CS/SB 2034, 1st ENG. -- Health Care**

**By Health, Aging and Long-Term Care; Clary**

**Linked Bill(s):** None

**Related Bill(s):** HB 1539, CS/HB 1659, CS/SB 1660, SB 2012, HB 2025, HB 2151, HB 2169, HB 2321, CS/HB 2339, CS/SB 2344, HB 2349, SB 2376, HB 2385

**Committee(s) of Reference:** Health, Aging and Long-Term Care; Fiscal Policy

CS/SB 2034 is a companion measure for three House bills--HB 2349 (PCB HCS 00-05), HB 2385 (PCB HCS 00-03), and HB 2321 (PCB HCS 00-04). The following highlights the contents of these three bills:

- HB 2349 is a Department of Health glitch bill, cleaning up several department-related statutes and including substantive provisions relating to: strategic planning; copyrights, trademarks, and service marks, and enforcement of rights to same; community service delivery; an immunization registry; clarifying revisions relating to diseases of public health significance, HIV, and school health background screening; a hepatitis A public awareness campaign; and health facilities bonding authority (SB 2012).
- HB 2385 is also a Department of Health bill, and is a follow-up to the 1999 transfer of the Brain and Spinal Cord Injury Program from the Department of Labor and Employment Security to the Department of Health. The bill provides for technical and related provisions of statute, and also provides for planning for long-term community based supports for individuals with specified brain and spinal cord injuries.
- HB 2321 provides for the continuation of the public records exemption relating to the brain and spinal cord injury program. [The Senate determined that a separate bill was not required for this issue.]

As amended in the Senate, CS/SB 2034 also contains several other provisions:

- HB 2151, a General Appropriations Committee bill relating to Medicaid prescribed drug services, requiring AHCA to implement a Medicaid prescribed drug spending control program consisting of several components. Adult Medicaid beneficiaries not residing in nursing homes or other institutions will be limited to four brand name drugs per month. Children, institutionalized adults, anti-retroviral agents, and certain medications used to treat mental illnesses would remain exempt from this restriction. No more than a 34-day supply of a prescribed drug may be dispensed. Specifies the provision of unlimited generic and other certain use drugs, and exceptions for the brand-name drug restrictions. Specifies the reimbursement level to pharmacies for Medicaid prescribed drugs to be set at the average wholesale price minus 13.25 percent. Directs AHCA to develop and implement a process for managing the drug therapies of Medicaid recipients using significant numbers of prescribed drugs each month. Authorizes AHCA to limit the size of its pharmacy network based on specified factors. Directs AHCA to develop and implement use of a counterfeit-proof prescription pad for Medicaid prescriptions. Provides that manufacturers of generic drugs prescribed to Medicaid patients must guarantee the state a rebate of at least 15.1 percent of the manufacturer price for the manufacturer's generic products. Authorizes

- AHCA to contract for any or all portions of the program. Requires a report on success in controlling Medicaid prescribed drug spending by January 15 of each year. Creates a Medicaid Pharmacy and Therapeutics Committee, to develop and implement a voluntary Medicaid preferred prescribed drug designation program. Specifies 9 appointees representing specified groups. Directs AHCA to disseminate the preferred drug list to all Medicaid providers.
- HB 1539, which was an Elder Affairs & Long Term Care Committee bill relating to the State Long-Term Care Ombudsmen Committee. The provisions address issues relating to member appointment, cooperative agreements with nursing home-related groups, technical revisions relating to the reference to *local* rather than *district* councils, and appropriations specific to ombudsmen functions.
  - An amendment relating to hospital certificates of need (CONs). The language nullifies a provision in CS/HB 2339 which allowed the establishment of specialty hospitals through the transfer of existing beds to be exempt from CON.
  - A provision that provides the state with a time-limited security interest in those facilities which are constructed or renovated with state funds.
  - The Jessie Trice Cancer Prevention Program, specifically targeting minority populations in specified communities in Miami/Dade and Lee counties (HB 2025).
  - The designation of February 6th as Florida Alzheimer's Disease Day.
  - Florida Commission on Excellence in Health Care, to facilitate development of a comprehensive statewide strategy for improving health care delivery systems (HB 2169).
  - Appropriates \$230,000 to complete the second phase of the kidney dialysis study. Directs AHCA to contract with the University of South Florida for a review relating to: laboratory tests, financial arrangements, and quality and effectiveness of kidney dialysis treatment, with a report by February 1, 2001.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

## **HB 2037, 2nd ENG. -- Health Care/AHCA Reorganization**

**By Farkas**

**Linked Bill(s):** None

**Related Bill(s):** CS/SB 2132, HB 2337

**Committee(s) of Reference:** Health Care Services; Governmental Operations; Health & Human Services Appropriations

HB 2037 provides department status to the Agency for Health Care Administration (AHCA). The bill: designates that the department be known as the Agency for Health Care Administration; provides for Governor appointment, and Senate confirmation, of the Secretary; provides for flexibility in the organization and structure of the new department by eliminating current statutory references to divisions within AHCA; specifies the purpose for the new department, and its substantive areas of responsibility; transfers, via a Type One transfer as specified in s. 20.06(1), F.S., all AHCA resources (staff and funding) from the Department of Business and Professional Regulation to the new department; and incorporates conforming revisions into various sections of the statutes to reflect the new designation of the AHCA Director as Secretary.

The bill provides for the repeal of the Florida Health Care Purchasing Cooperative (s. 408.001, F.S.), effective December 31, 2000, or upon dissolution of the cooperative, whichever occurs first.

As amended, the bill also incorporates the substance of HB 2337 (PCB HCS 00-07), establishing the Cord Blood Tissue Bank, a nonprofit legal entity formed as a consortium consisting of the University of Florida, the University of South Florida, the University of Miami, and the Mayo Clinic, Jacksonville. The bill directs the Agency for Health Care Administration and the Department of Health to encourage all health care providers to provide information regarding umbilical cord blood tissue donation to pregnant women seeking services. The bill provides that information about umbilical cord blood donation may be provided to all women upon admission to a hospital or birthing center for obstetrical services. The bill provides that participation in the donor program be voluntary. The bill authorizes the consortium to charge reasonable rates and fees to recipients of cord blood products. The bill authorizes the consortium participants, the Agency for Health Care Administration, and the Department of Health to seek private or federal funds to initiate program actions for fiscal year 2000-2001.

Subject to the Governor's veto powers, the effective date of this bill is October 1, 2000.

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## **CS/SB 2086 -- Small Employer Health Alliances**

**By Banking and Insurance; King**

**Linked Bill(s):** None

**Related Bill(s):** CS/HB 1571, CS/HB 2339, CS/CS/CS/SB 2154

**Committee(s) of Reference:** Banking and Insurance; Health, Aging, and Long-Term Care

CS/SB 2086 addresses a variety of issues relating to insurance coverage available to small employers. The bill: expands the basis upon which insurance can be offered through labor union and association groups to include small employer health alliances, as specified; allows a small employer member of an alliance that expands to more than 50 employees, but less than 75, to renew coverage for not more than one additional year; requires a small employer health alliance to establish conditions of participation in the alliance by a small employer; allows a single master policy issued to an association, labor union, or small-employer health alliance to include more than one health plan from the same insurer or affiliated insurer group as alternatives for an employer, employee, or member to select; amends guaranteed renewability of coverage provisions to include specified employer health alliances; amends restrictions relating to premium rates to provide an exception to the prohibition against small employer carriers modifying certain rates, subject to specified criteria; allows rates for a policy issued to a group association or health alliance to reflect a premium credit for expense savings attributable to administrative activities being performed by the association or alliance, subject to specified criteria; and requires a carrier issuing a group health insurance policy to an alliance or other group association to allow any of its licensed and appointed agents to sell that policy and to pay the agent the insurer's usual and customary commission paid to any agent selling the policy.

The bill repeals the several statutes relating to community health purchasing alliances (CHPAs), and the bill makes conforming revisions to related sections of statute.

Subject to the Governor's veto powers, the effective date of this bill is October 1, 2000.

**HB 2319, 1st ENG. -- Rural Hospitals**

**By Health Care Services; Peaden**

**Linked Bill(s):** None

**Related Bill(s):** SB 2422

**Committee(s) of Reference:** Health Care Services, Health & Human Services  
Appropriations

HB 2319 (PCB HCS 00-08) relates to rural hospitals. The bill reflects the recommendations from a two-year Rural Hospital Statutory Redefinition Advisory Group. The bill amends the definition of "rural hospital" in s. 395.602, F.S., to:

- Eliminate reference to the designation of counties as rural by the U.S. Census.
- Add criteria that will allow a sub-county statutory definition of rural hospital based on ZIP Code service areas.
- Add criteria that will allow a statutory definition of rural hospital based on a designation of Critical Access Hospital by the Department of Health in accordance with federal regulations and state requirements.

The bill incorporates these same revisions into the existing definition of "rural hospital" in s. 408.07(42), F.S.

In addition, the bill ensures that all hospitals that meet the definition of "rural hospital" are eligible for any enhanced Medicaid reimbursement.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.

## **HB 2329 -- Health Care**

**By Health Care Services; Peaden and Others**

**Linked Bill(s):** None

**Related Bill(s):** HB 1633, HB 1905, HB 1945, HB 2047, CS/CS/SB 2242

**Committee(s) of Reference:** Health & Human Services Appropriations

HB 2329 (PCB HCS 00-06) was initially a committee bill relating to the Medicaid program. The bill was amended on the House floor to incorporate several related measures. The bill includes the following issues:

Governor's Budget Recommendations:

- Increases the annual adult hospital outpatient services cap from \$1,000 to \$1,500 [Fiscal impact: \$17.36 million (\$7.53 million state/ \$9.83 million federal)]
- Initiates a Disproportionate Share Program for specialty hospitals for children [Fiscal impact: \$1.9 million (\$642,000 in state, derived from local government, and \$1.2 million federal), to be derived from existing disproportionate share program funds]
- Authorizes the transfer of specified funds to the Agency for Health Care Administration as follows:
  - From the Department of Children and Family Services to provide additional state match for targeted case management services, and
  - From the Department of Elder Affairs unexpended funds for the Assisted Living for the Elderly Medicaid waiver to fund Medicaid-reimbursed nursing home care

Agency for Health Care Administration Medicaid Issues:

- Medicaid fraud issues:

- Provides additional provider surety bond requirements based on volume of Medicaid business for certain provider types, and
- Provides additional authority for denial of Medicaid provider applications
- Imposes a limitation as to the inclusion of nursing home liability insurance costs in the calculation of nursing home interim rate adjustments under Medicaid
- Adds clarifying provisions relating to Medicaid physician reimbursement for services rendered to dually eligible Medicare and Medicaid patients
- Authorizes AHCA, at its discretion, to renew its contract or contracts for fiscal intermediary services one or more times for such periods as AHCA may decide, provided such renewals do not combine to exceed the term of the initial contract
- Authorizes university laboratory schools to participate in Medicaid certified school match funding
- Authorizes AHCA to seek a federal waiver for a demonstration project for a system of care for ventilator-dependent patients over age 21
- Repeals s. 409.912(4)(b), F.S., relating to AHCA's ability to contract for prepaid health care services with entities that provide only Medicaid services on a prepaid basis, and which are exempt from part I of ch. 641, F.S.

Long-Term Care Community Diversion Pilot Projects: Incorporates a modified version of what was the substance of HB 1945 as follows:

- Provides a definition of “other qualified provider” as: an entity licensed under chapter 400 that demonstrates a long-term care continuum; posts a \$500,000 performance bond; and meets all the financial and quality assurance requirements for a provider services network as specified in s. 409.912, F.S., and all requirements pursuant to an interagency agreement between AHCA and the Department of Elder Affairs (DOEA)
- Authorizes DOEA to contract, on a prepaid basis, with other qualified providers (as defined above) to provide long-term care within community diversion pilot project areas. Directs AHCA to evaluate and report quarterly to DOEA the



compliance by other qualified providers with all financial and quality assurance requirements of the contract

Graduate Medical Education Funding: Incorporates a modified version of what was the substance of HB 1905 as follows:

- Amends s. 381.0403, F.S., relating to "The Community Hospital Education Act," to: emphasize primary care training as opposed to family practice program training; provide additional detail as to eligibility for funding based on training slots, the timing of the creation of training slots, and accreditation status; provide a means to seek available federal matching funds for graduate medical education purposes; specify primary care specialties; provide for a Program for Graduate Medical Education Innovation, to the extent funded, designed to provide funds on a grant or formula basis to achieve state health care workforce policy objectives; specify that the Board of Regents quarterly certify to AHCA those hospitals eligible for matching funds; and specify the committee on graduate medical education (GME) as part of the Community Hospital Education Act, the purpose of which is to provide an annual report on GME funding
- Amends the definition of "teaching hospital," in s. 408.07(44), F.S., to make the definition specific to Florida hospitals and medical schools, specify the accreditation entity, base resident slots on full-time equivalent positions, and specify that AHCA determine the hospitals that meet the definition
- Increases from \$1,000 to \$1,500 the annual Medicaid hospital outpatient services cap for adults (a duplicate provision)
- Revises Medicaid limitations for hospital inpatient services to: provide exceptions for raising reimbursement caps, recognition of the costs associated with graduate medical education, and other methodologies provided in the General Appropriations Act; authorize AHCA to receive funds from certain entities for these reimbursements; and provide an exception from county contribution requirements for such reimbursements

Attorney General's Medicaid Fraud Control Unit: Incorporates the substance of HB 2047 as follows:

- Provides express exemptions for the Medicaid Fraud Control Unit of the Department of Legal Affairs in several confidential medical records provisions contained in Florida Statutes
- Clarifies the Attorney General's power to subpoena medical records relating to Medicaid recipients and authorizes investigators employed by the unit to serve process
- Requires that certain otherwise confidential records held by the Department of Health be provided to the Medicaid Fraud Control Unit upon request

Other Issues:

- Provides specific rule-making authority for the Department of Children and Family Services specific to Medicaid eligibility determination (HB 1633)
- Provides, in statute, for the ongoing adjustment in Optional State Supplementation based on the federal benefits rate, rather than re-authorizing such adjustments in each year's General Appropriations Act
- Designates February 6th of each year as Florida Alzheimer's Disease Day

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2000.